Families earn what they can, and spend as much as they think prudent; spending and earning opportunities are two different things. In the economy as a whole, however, income and spending are interdependent: my spending is your income, and your spending is my income. If both of us slash spending at the same time, both of our incomes will fall too.

And that's what happened after the financial crisis of 2008. Many people suddenly cut spending, either because they chose to or because their creditors forced them to; meanwhile, not many people were able or willing to spend more. The result was a plunge in incomes that also caused a plunge in employment, creating the depression that persists to this day.

Why did spending plunge? Mainly because of a burst housing bubble and an overhang of private-sector debt—but if you ask me, people talk too much about what went wrong during the boom years and not enough about what we should be doing now. For no matter how lurid the excesses of the past, there's no good reason that we should pay for them with year after year of mass unemployment.

So what could we do to reduce unemployment? The answer is, this is a time for above-normal government spending, to sustain the economy until the private sector is willing to spend again. The crucial point is that under current conditions, the government is not, repeat not, in competition with the private sector. Government spending doesn't divert resources away from private uses; it puts unemployed resources to work. Government borrowing doesn't crowd out private investment; it mobilizes funds that would otherwise go unused.

Now, just to be clear, this is not a case for more government spending and larger budget deficits under all circumstances—and the claim that people like me always want bigger deficits is just false. For the economy isn't always like this—in fact, situations like the one we're in are fairly rare. By all means let's try to reduce deficits and bring down government indebtedness once normal conditions return and the economy is no longer depressed. But right now we're still dealing with the aftermath of a once-in-three-generations financial crisis. This is no time for austerity.

O.K., I've just given you a story, but why should you believe it? There are, after all, people who insist that the real problem is on the economy's supply side: that workers lack the skills they need, or that unemployment insurance has destroyed the incentive to work, or that the looming menace of universal health care is preventing hiring, or whatever. How do we know that they're wrong?

Well, I could go on at length on this topic, but just look at the predictions the two sides in this debate have made. People like me predicted right from the start that large budget deficits would have little effect on interest rates, that large-scale ''money printing'' by the Fed (not a good description of actual Fed policy, but never mind) wouldn't be inflationary, that austerity policies would lead to terrible economic downturns. The other side jeered, insisting that interest rates would skyrocket and that austerity would actually lead to economic expansion. Ask bond traders, or the suffering populations of Spain, Portugal and so on, how it actually turned out.

Is the story really that simple, and would it really be that easy to end the scourge of unemployment? Yes—but powerful people don't want to believe it. Some of them have a visceral sense that suffering is good, that we must pay a price for past sins (even if the sinners then and the sufferers now are very different groups of people). Some of them see the crisis as an opportunity to dismantle the social safety net. And just about everyone in the policy elite takes cues from a wealthy minority that isn't actually feeling much pain.

What has happened now, however, is that the drive for austerity has lost its intellectual fig leaf, and stands exposed as the expression of prejudice, opportunism and class interest it always was. And maybe, just maybe, that sudden exposure will give us a chance to start doing something about the depression we're in.

CELEBRATING NATIONAL TRAVEL AND TOURISM WEEK

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 2013

Mr. FARR. Mr. Speaker, I rise along with my colleague Rep. JO BONNER to celebrate National Travel and Tourism Week.

From California's Central Coast to Alabama's Gulf Coast and every single Congressional district in between, travel and tourism plays an important economic role in all of our local communities. This week is National Travel and Tourism Week, a celebration of the $2 trillion economic engine that helps drive our nation's economy. As the co-chairs of the bipartisan Congressional Travel and Tourism caucus, we would like to take this moment to raise awareness for America's number one export and to explain how the "Travel Effect" benefits everyone.

The Travel Effect is simple: It is the economic benefit that every single community feels thanks to travel. Supporting over 14.6 million American jobs, the travel industry is a top 10 employer in 48 states and the District of Columbia. Today, one in every eight jobs depends upon travel.

Contributing more than $129 billion to the federal, state and local tax base, the Travel Effect means that Americans pay fewer taxes. Without those added revenues, the average household would pay over $1,000 in additional taxes. At 2.8% of our nation's GDP and growing at a rate faster than all other industries, travel will play an important role in driving down deficits for years to come.

Thanks to our efforts here in Washington, the United States is now promoting the entire country as a premier travel destination to the world. Brand USA, the nation's Destination Marking Organization created by Congress, will help bring in 81 million visitors to the United States by 2016, a 36 percent increase equivalent to 21 million more travelers as compared with 2010. This influx of new visitors will help create over a half a million new jobs in communities all across the country.

And you do not have to live in a coastal district or near a major tourist destination to feel the Travel Effect. Historic sites, museums in your community and other local destinations all play a role in building our travel economy. In other words, travel is right in your own backyard!

During this year's National Travel and Tourism Week, we call on all members to support the travel industry. While the Travel Effect is great now, its potential is even greater. If we recognize that potential in all of our communities, then the Travel Effect will continue to benefit every town across the United States.

RECOGNIZING THE 90TH BIRTHDAY OF MR. BERT BERKLEY

HON. EMANUEL CLEAVER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 2013

Mr. CLEAVER. Mr. Speaker, I proudly rise today in recognition of the 90th birthday of Mr. Bert Berkley, Chairman of the Board, and former President of the Tension Envelope Corporation. Tension is a prestigious family-owned business in Missouri's Fifth Congressional District, which I am honored to represent. Bert and his late wife, Joan, have three children and seven grandchildren.

Mr. Berkley was born May 8, 1923, son of E.B. Berkowitz and grandson of William Berkowitz, who founded the forerunner of Tension Envelope in Kansas City, Missouri in 1886, Berkowitz and Company. The company specialized in popular advertising novelties and business stationery. In 1894, the company put into operation the first envelope machine west of the Mississippi River.

In 1937, the company acquired another pioneer in the U.S. envelope industry, the Tension Envelope Company of Brooklyn, New York, with all sales operations consolidated under the widely recognized name of Tension Envelope Corporation. In 1962, Bert Berkley, took over his grandfather's company as President and CEO of Tension. In 1967, Bert was named Chairman of the Board.

During his time as President and CEO, the Tension Envelope Company opened a plant and established a sales organization in Los Angeles, California. In addition, a satellite of their Kansas City plant was opened in Marysville, Kansas, furthering their production and manufacturing capabilities. In 1981, Bill Berkley, Bert's son, joined the company and helped his father open yet another manufacturing facility in St. Clair, Pennsylvania, creating a satellite location for the already established South Hackensack plant and a nationwide presence for the Tension Envelope Company. In 1988, Bill Berkley went on to become President and CEO of the company, while Bert remained in his role as Chairman of the Board, overseeing international expansion of the company to Australia, Taiwan, and China.

Today, Tension Envelope Corporation is one of the nation's leading manufacturers of envelope products, selling directly to companies and organizations across the United States. With its headquarters in Kansas City, Missouri, the heart of Missouri's Fifth Congressional District, Tension produces over eleven billion envelopes a year with plants, distribution, and service offices stretching from coast to coast.

Not only has Mr. Berkley revolutionized an industry with his ingenuity, he is also a dedicated philanthropist. He has a long history of participation in local, regional, and national civic and advisory councils. He even co-authored a book, Giving Back, on the subject of volunteering, sharing with the community, and involvement with charitable endeavors.

Considering the tremendous contributions of Tension Envelope Corporation to Missouri's Fifth Congressional District and surrounding areas, it is an honor and a privilege to recognize Mr. Bert Berkley in celebration of his ninetieth birthday. My wife, Dianne, and I have had the pleasure of knowing the Berkley family for many years and we are better people